

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 97-257-E - ORDER NO. 97-935
OCTOBER 30, 1997

IN RE: Aiken Electric Coop., Inc.,)	
)	
Complainant,)	
)	
vs.)	ORDER
)	DENYING
)	PETITION
South Carolina Electric &)	
Gas Company,)	
)	
Respondent.)	
)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Petition for Rehearing and/or Reconsideration of our Order No. 97-851 filed by South Carolina Electric & Gas Company (SCE&G). Because of the reasoning stated below, the Petition must be denied.

Subsequent to a public hearing, this Commission ruled in Order No. 97-851 that the Aiken Electric Cooperative, Inc. (Aiken or the Coop.) was the proper electric supplier to serve a Smile gas facility (Smile 116) in Aiken County. The Commission further ordered SCE&G to dismantle its equipment and facilities and to cease and desist from providing service to Smile 116.

Order No. 97-851 held that Smile 116 was not a new premise, as SCE&G had maintained. Therefore, we held that the customer choice provisions of S.C. Code Ann. Section 58-27-620 (1976) did

not apply. SCE&G asserts that we erroneously interpreted Section 58-27-620(2) which defines "premises," and made unsupported factual determinations.

We have reexamined our holding and discern no error. Section 58-27-620(2) defines "premises" as "The building, structure, or facility to which electricity is being or is to be furnished; provided, that two or more buildings, structures, or facilities which are located on one tract... and are utilized by one electric consumer... shall together constitute one "premises"..." Our Order No. 97-851 held that "In this case, Smile Gas has added a new building and extended its premise like it did in 1985. The only difference is that this time, Smile Gas planned to demolish the old buildings and build a new one. It appears under our prior holding, this new building is just an extension of the existing premises... all of the buildings, either in existence or to be constructed (or already constructed) represent one premises." This finding is completely justified, when one compares the statutory definition of "premises." Clearly, two or more buildings located on one tract which are utilized by one electric consumer constitute just one "premise." Therefore, since we found that the new building was simply part of the old "premises," the customer choice provisions of the statute simply do not apply.

Further, our factual findings are supported by Commission precedent. See Aiken Electric Cooperative v. SCE&G from 1985 and Laurens Electric Cooperative, Inc. v. Duke Power Company, wherein we discussed the concept of "premises," and came to the same

conclusion as we did in the case at bar.

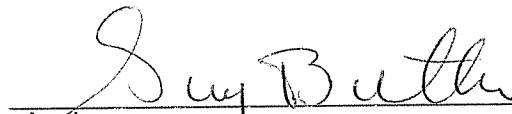
In addition, we do not believe that we committed error in finding that "the actions taken by Smile Gas and SCE&G in 1997 are the same actions that (were) prohibited in the 1985 case." Order No. 97-851 at 4. As we stated in that Order, "In this case, Smile Gas has added a new building and extended its premises like it did in 1985. The only difference is that this time, Smile planned to demolish the old buildings and build a new one. It appears that under our prior holding, this new building is just an extension of the existing premises." We reaffirm this holding and believe that our interpretation of the facts were correct in this case. We hold that it makes no difference that in the old case, the new structure was built on the same pavement as the old structures, and in the new case, the old buildings and pavement were demolished before the new building was constructed. We hold that the old premises, as served by the Coop., were simply not transformed into a new premise as SCE&G would urge. The new building simply contained the same Company's facilities, operating on the same tract of land. We disagree with SCE&G's point that since all old buildings were demolished, and a new one built, that Smile Gas 116 becomes a new premise "initially requiring electric service after July 1, 1969," as per Section 58-27-620(1)(d)(i).

SCE&G simply fails to recognize in its Petition the policy reasons for the Commission's decision. Certainty and reliability in the designation of the rights of electric suppliers with regard to the areas in which such suppliers may provide service is

desirable in this case as in others, as is the reduction or elimination of wasteful and inefficient duplication of electrical facilities and services.

SCE&G's Petition is hereby denied. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)